



Minutes of the Roanoke Rapids City Council

A regular meeting of the City Council of the City of Roanoke Rapids was held on **Wednesday, July 5, 2023, at 5:30 p.m.** in the Council Chambers at the Lloyd Andrews City Meeting Hall.

Present: Emery G. Doughtie, Mayor
 Carl Ferebee, Mayor Pro Tem
 Sandra W. Bryant)
 Tommy Daughtry)
 Wayne Smith)
 Rex Stainback)

Council Members

Kelly Traynham, City Manager
 Geoffrey Davis, City Attorney
 Traci Storey, City Clerk
 Carmen Johnson, Finance Director
 Shane Guyant, Police Chief
 Jason Patrick, Fire Chief
 David Wise, Planning & Development Director
 Larry Chalker, Public Works Director

Absent: Christina Caudle, Human Resources Director
 John Simeon, Parks & Recreation Director
 Tony Hall, Main Street Development Director

Mayor Doughtie called the meeting to order and opened with an invocation.

Mayor Doughtie stated before adopting the business agenda, he would like to recognize and introduce newly hired Police Chief, Dr. Shane Guyant. He began his career 30 years ago. During his career, he demonstrated his ability to handle a wide range of challenges and things that come with leadership and street level law enforcement. He has added numerous achievements to his leadership qualifications in his resume. He has now offered his talents to others that are coming along in law enforcement and to those just beginning their careers with his teaching and outreach.

City Manager Traynham added the City was excited to have Dr. Shane Guyant as the new Police Chief. She knows he is excited to take on this opportunity to work with law enforcement officers with the Roanoke Rapids Police Department and continue a good working relationship with the Halifax County Sheriff's Office. Also, to just do

what they do best and have professionalism within the agency. The work law enforcement officers do day in and day out, every night and every day is tough. She thanked each of them who were part of that. She welcomed Shane Guyant as the Police Chief. She announced they would organize a swearing in ceremony once his certification comes back from NC Training & Standards. Right now, it is taking 30-45 days for law enforcement officer applications to process at the state level. She invited Chief Guyant to make comments.

Chief Guyant thanked City Manager Traynham for hiring him. As Mayor Doughtie said, he has 30 years in this job, but he was not going anywhere because he still has a lot left in him. He was very much willing to take on this challenge, loves this challenge and cannot wait to really jump in headfirst. So much, that his very first day, they had a major crime happen.

He thanked Interim Chief Gorton Williams for what a great job he did during this interim period. He has enjoyed talking with him this week. He asked everyone to give him another round of applause. He looks forward to working with him hand and hand. He's a great man and he was so glad to have him by his side. He thanked the officers who weathered the storm and decided to be a part of this department and a part of this city. They are great men and women and really and truly have big hearts and love this city and its people. He asked to give them a round of applause too.

Chief Guyant said he and Sheriff Tyree Davis were good friends. He believes the relationship between the police department and the sheriff's office is probably going to be stronger than ever. The City was going to be better off because of that relationship.

He stated he was a godly person; he believes God's plan came to fruition for him. He lives his life with high integrity and cares about the people that work with him. He met with his staff and told them it was no "me" or "I", it is "us" and "we." He gave them his expectations which boil down to their core values. They represent a word called "SHIELD." "S" stands for service. "H" stands for honesty. "I" stands for innovation. "E" stands for excellence. "L" stands for leadership. "D" stands for dedication. He asked his staff to understand and know these core values.

Chief Guyant said he has been in law enforcement for 30 years and it's not anything he hasn't done in this job. This is the most excitement he has felt in a long time, to be able to lead these men and women to greatness. If he can give them that feeling of success that he has had in his career and they can feel what that feels like, they cannot stop these men and women. They don't talk about the past, they talk about the future. They will move forward and be stronger than ever. They will earn their

respect, trust, and admiration. He looks forward to seeing everyone at the swearing in ceremony. These officers deserve to know that the people back them and support them.

Mayor Doughtie thanked Sheriff Davis and his staff for coming and supporting Chief Guyant. He also looks forward to a very strong, tight knit working relationship between the Sheriff's Office and the City. The more they can work together the better off they will be in keeping the community safe.

Adoption of Business Agenda

Mayor Doughtie asked Council members if there were any known conflicts of interest with respect to the matters before them this evening. There being no conflicts, motion was made by Mayor Pro Tem Ferebee, seconded by Councilman Smith and unanimously carried to adopt the agenda as presented.

Public Comment (Unscheduled)

John Gorlesky

Mr. Gorlesky said he was going to speak at the last meeting, but he was not able to make it. He lives on Three Bridges Road and is a retired 30-year combat veteran. He has been working for public works for two years. He had some comments and questions about some things said and not said at the meeting before last.

He asked what is a reasonable, fair, starting wage for a technically proficient individual. He kept hearing someone keep throwing out \$30,000. That's laughable. Factual scenario, a person retires after 20 years working at public works. Last few years of employment they got a \$1 per hour raise two different times. Those raises did not effectively alter his final retirement pay. He also hears about all these benefits they get every year. He asked when the last time they used these benefits while shopping at Walmart or paying for fuel. Only in this town do they pay so much for fuel.

He asked when was the last COLA increase; Covid money doesn't count. He asked why he signed a city-generated document, not a state or federal document two times to authorize the \$4.1 million in Covid money to pay salaries. The budget was already passed, that money was already there, where did it go.

Mr. Gorlesky stated he kept hearing equity pay; does not, will not, ever exist in this environment. Fact, they can take that to the bank. There are only two places in the continental United States where equity pay exists: GS government contract job and

the military. In the military an E-1 tank mechanic makes the same pay as an E-1 cook. That's equity pay. It doesn't matter which branch or how high they go, same rank, same pay no matter what the job is. He said, let me give you a bonus instead. That will make you feel good, I know everyone wants a bonus. Obviously, they did not read the survey. A bonus is an "atta boy." It, by definition alone, is not a raise. Bonuses are not guaranteed, a raise is until I die, retire or quit.

He said out of 100 counties in NC, Roanoke Rapids ranks third poorest. Population decreasing, that is nothing new, the data has always been there. They need to inject new and/or different revenue streams to maintain and sustain the level and quality of services the town currently has. It has been at least 10 years since taxes were raised. Raise them to sure up their shortfalls. There are tax breaks for the elderly in NC. Speaking of revenue streams, cutting private property lot abatements in town for lots that are overgrown. The City is still owed from 2019 - \$117,637; 2020 - \$52,532.88, 2021 - \$50,520.50; 2022 - \$32,925 for a total of \$253,615.38 that is still owed. The City can and has due recourse to take possession of said lots and put them up for public auction for what is owed. He would buy a few and install pop-up service gas stations to slap the family-owned gas stations here in town that have been raping us for years on gas.

Mr. Gorlesky stated to keep technically proficient individuals in the knowledge, you have to pay them or they will leave and go to neighbors who will pay them; it is already happening. When they leave, the City loses that knowledge and wisdom. Before he forgets that technically proficient person that retired after 20 years making \$16 per hour means he made \$14 and less an hour for 90% of his career. That is a far cry from the \$30,000 that kept getting thrown out.

Mr. Gorlesky stated he looked forward to the next meeting. He thanked them for the 5% pay raise that was given. Hopefully, it won't be the last time they give a pay raise.

Mayor Doughtie stated William White has also signed up. He understands he may have some input when Attorney Davis speaks about the Theatre. He asked Mr. White if he wanted to yield until that agenda item comes up or speak now. Mr. White replied he would yield until that agenda item.

Approval of City Council Minutes

Motion was made by Councilwoman Bryant, seconded by Mayor Pro Tem Ferebee, and unanimously carried to approve the June 20, 2023 City Council Regular Meeting minutes as drafted.

Committee Appointments

City Clerk Storey reported the term for Sherry Mills on the Roanoke Rapids Area Planning Board and Board of Adjustment expired June 1, 2023. Ms. Mills is interested in continuing to serve on the board and has submitted a volunteer application for City Council's consideration. Ms. Mills has served the maximum number of two consecutive terms allowed by City policy, but City Council has the authority to waive this section of the policy. She stated City Council took a ballot vote earlier and Ms. Mills received a unanimous vote.

Motion was made by Councilman Stainback, seconded by Councilman Smith to waive the City policy, and reappoint Sherry Mills to the Roanoke Rapids Area Planning Board/Board of Adjustment.

Old Business

Roanoke Rapids Theatre Update

City Attorney Davis reported the City received an upset bid on the Theatre on Friday, June 30, 2023. The new bid is \$2 million and included the deposit. He stated he and Mr. White have a disagreement about some parts of the procedure. There is another part in which they have come to some agreement on as far as the notice. Previously, City Council had certified an electronic notice where they can advertise bids and such electronically rather than publishing in the newspaper. He expressed his concern in looking back at that. Given the specific procedure the City is following now, there may be some issues with that. His advice in the future is for the City to continue to advertise the notice in the newspaper until they can rectify that. That was originally passed a couple of months ago when the City was contemplating the electronic auction, which is different. He restated the \$2 million offer has been tendered so the notice period will restart once they notice it in the newspaper. After those 10 days, they will see where they are again.

Councilman Smith said he talked with Mr. Tom Carruthers who is an attorney with the NCLM before he received his agenda package on Friday. He read and asked Mr. Carruthers for clarification on the law or basic understanding of the statute. He told him his concerns and Mr. Carruthers replied that he believed he answered his own question. Then he called the Attorney General in NC who referred him back to Representative Michael Wray's office. He sent an email to Representative Wray and they forwarded it to Jeffrey Hudson who is the Legislative Analyst in Raleigh. He sent a message back that they did not get involved in City Council business. So, he did not get any clarification of the law on that. He read, "when an offer is made and Council proposes to accept it, the Council shall require the offeror to deposit 5% of

bid to the City Clerk and shall publish a notice of the offer. The notice shall contain a general description of the property, the amount and terms of the offer and the notice that within 10 days any person may raise the bid not less than 10% of the first \$1,000 and 5% of the remainder. When a bid is raised, the bidder shall deposit with the City Clerk 5% of the increased bid and the City Clerk shall readvertise that offer." He asked if they had advertised the offer that has been made to City Council with the terms of the offer.

Attorney Davis replied yes, it has been advertised. The City has not accepted any terms formally. They have done the public notice which states the offer that has been submitted, the description of the property and those aspects.

Councilman Smith said he understood that the terms of the offer meant just about as much as the money because the terms have to be met and the upset bid has to be better. He asked if that was correct.

Attorney Davis replied there is not an opportunity to meet the terms yet. All City Council has done is provisionally accepted an offer. He realizes both parties who have been bidding back and both have submitted terms, but under the statute they get a new upset bid that meets the qualifications of the different dollar amounts. That is going to upset the bid and start a new notice period. At the end of all this, whatever that final bid is will come before City Council and if the offeror has some terms that City Council doesn't like, they can reject all bids and rewind the clock. He did not see how City Council could reject an offer that meets the monetary amounts based on some attached terms that haven't been accepted yet. There is some case law out there that says the real function of this process is to make sure the City gets the most money for its property. Certainly, a bidding war or upset bids coming in are from the City's perspective what they want. They want that number as high as possible. When someone finally stops bidding, and after going through the 10-day upset period and no new bids are received, then that comes before City Council. If they do not agree to that, they can reject all bids. A new resolution would follow with that. In that resolution, City Council can set some terminology in there about the different aspects but they cannot change the amount obviously. He stated it was a fraught process and the way this process is described in the statute does not provide much clarity on some aspects. It is usually not a problem when not dealing with a property that has this much fraught history to it.

Councilman Smith asked if City Council could put the terms of the offer in the new resolution. Attorney Davis replied within reason. For instance, whatever the final bid comes out to be, it will go before City Council. In his opinion, City Council could put in the resolution that a real estate contract needs to be negotiated within 30 days so

it would not be open ended. If the other party doesn't agree to that then they don't agree. If it doesn't happen in 30 days then that's the offer, the City would rewind the clock and they would go through the process again.

Councilman Smith stated this could go on for years until somebody ran out of money or backed out. It is costing the City and tax payers \$10,000 a month for the upkeep of the Theatre plus sending City personnel out there for grass cutting. Attorney Davis said he believes all City personnel who deals with the Theatre would love to see it in some else's hands.

Councilman Smith said he thinks the terms of the offer needs to be accepted with the amount of money so they will not go on forever with this.

Mayor Doughtie called on Mr. William White for his comments.

Mr. White of Wellman & White, PLLC stated next month he would have been doing this for 49 years. He appreciates what Attorney Davis says and Councilman Smith's questions. The six years he was in Raleigh he worked for a large firm and they wrote insurance policies. They bought and sold insurance companies so unfortunately, he got to learn to hang on to every word.

He said what Councilman Smith was reading from is NCGS 160A-269. It reads in part when an offer is made the Council proposes to accept it. He believes that is what they are trying to do tonight. They have an increased bid and they are proposing to accept it. Then it says the council shall require a deposit of the bid and shall publish notice. The notice shall contain a general description of the property, the amount and terms of the offer. How do you how do you go about the upset bid? 10% of the first \$1,000 and 5% of the remainder. When a bid is raised, the deposit with the clerk shall be 5% of the increased bid and then the clerk shall readvertise the offer. What is the offer? The offer is the amount and terms of the offer. The first offer his clients made through him was for a 60-day closing. This most recent offer is for 30 days after the resolution or after they have found an acceptable title. He thinks they can do that in less than 5 days because any title aspects that came up should have been through Bank of America and should have been resolved when it was sold the first time. He was not anticipating any of that so they are talking about a 30-day close. He has told his clients for 49 years, if they want to sell a piece of property, they name the price and let him name the terms. They want \$100 million for the Theatre; he'll buy it, he'll pay them \$100 a month. They got their price, he got the terms, he's happy, but they are not happy. So he thinks the terms are important. He thinks by resolution when theirs was adopted with a 60-day close, not only did the price have to be increased, but he would offer that the terms had to be more favorable to the City. They have

come back now with terms that are more favorable to the City. He thinks if the resolution passes that way and if they were the last and highest bid, the City holds their feet to the fire so they close within 30 days or whenever title is straight or they forfeit their deposit. To him that is what this statute reads. It is amount and terms, they readvertise the offer which would be the terms at the increased bid. They are not taking it out, they are not advertising the increased bid, they are advertising from the statue, readvertise the offer at the increased bid. Everybody can look at something anyway they want to, but he would offer that is the only way this statute can be interpreted. Or as Councilman Smith and Attorney Davis exchange going back and forth, yes, they could go on forever on this kind of thing. There has got to be some finality to it; this puts finality to it. If the terms are there and the bid keeps going up with the same terms, fine. More power to whoever the final bidder is. But that is where he would propose the City should think about including it in their resolution and including that in the way it is noticed. He agrees with Attorney Davis that state law says any kind of publication for this, he did not think the statute been changed for electronic, he thinks it has to be in the newspaper.

Mayor Doughtie said under the statute, the offer that they are looking at accepting tonight, if they accept that offer. Mr. White interrupted and stated they are proposing to accept it. They cannot accept it until after the 10 days expire.

Attorney Davis stated he and Mr. White have kind of a difference of opinion with respect to this statute. He did not want to put words in his mouth, but he thinks Mr. White's position is that when an upset bid is received, it has to come back before Council, Council passes a new resolution accepting that bid and then follows through this procedure again, so it comes back to Council every time. That is not his reading of the statute. In his position, there is no action for Council to take tonight. Their only action will be at the end of all this process when somebody finally stops bidding and the upset bid passes with this properly noticed with no upset bids. Then it comes to Council and then Council gets to choose whether to accept or reject. He knows that they have been kind of through this statute a couple of times but didn't think it has been read in full. The real problem with that language to him in this respect is the last sentence. It says, "This procedure shall be repeated until no further qualifying upset bids are received, at which time the council may accept the offer and sell the property to the highest bidder. The council may at any time reject any and all offers." That terminology and this procedure what he takes to mean is and what he has always understood it to mean is the upset bid procedure itself. He believes Mr. White probably has a different interpretation of that. Basically, what he reads is that this procedure shall be repeated, is the upset bid procedure itself. Everything from this notice shall contain a general description and then when a bid is raised, the bidder shall deposit with the city clerk 5% of the increased bid and the clerk shall readvertise the offer at

the increased bid. This procedure shall be repeated until no further qualifying upset bids are received. His position is that it doesn't have to come back to council every time for council to approve the new upset bid offer. Council took its action when it approved the original offer with the original resolution when it proposed to accept the original offer. At this point they go through this process until whatever kind of gets churned up from that at the end of the upset bid process and comes back for Council. That is when Council gives its thumbs up or thumbs down so to speak.

Mayor Doughtie asked if they get to that point with no more bids and they have a contract and the individual does not meet 30 days closing, as an example, does the statute say that they forfeit their deposit. Attorney Davis replied not statutorily, that doesn't happen. Mayor Doughtie said if they are willing to put it in there, then it is part of it, right? Attorney Davis replied at this point he did not think Council could do that under his interpretation of it. Potentially, Council could have put that in the original resolution offering to provisionally propose to accept the offer. Council could have done it in that respect in its resolution and spelled that out. Since that was not in that resolution, he thinks they are not in a period where they can go and do another resolution here in the middle. He did not think that was correct under his reading of the procedure. Mayor Doughtie said that sounds like a no.

Councilman Smith said Attorney Davis keeps saying offer, but what he is reading and trying to get it clear in his mind is the offer is the amount and terms of an offer. So even when Council may accept the offer and sell to highest bidder, the offer refers to the amount and terms of the offer. That is his opinion.

Attorney Davis said he thinks Councilman Smith is right. As Mr. White said the new bid that they have submitted contains more favorable terms or what they believe are more favorable terms to the City. He thinks that is correct from his reading of it versus their first offer or versus the second offer that came in from Freeman Enterprises. But again, he did not think there was any function for the City in the middle of the upset bid period process to try to discriminate between different terms and different offers until we kind of get to the end and the upset bid period process ends. He realizes that Mr. White's client just like Mr. Freeman wants to get the Theatre for the lowest price they can. From their perspective, continuing upset bid periods are not in their interest to the contrary. They want the upset bid periods to end as soon as possible so they can get it for the lowest amount. From the City's perspective, the higher this price goes the more money they get for it.

Councilman Smith said he did not see how they could discriminate against anybody if the offer is put out there and published the way the statute says they have to publish

it. They know the offer is out there and here are the terms and the amount of money of the offer.

Mr. White stated on his opinion and coming from David Lawrence, who is one of the gurus at the UNC School of Government specializing in the selling of public property, states in the initial resolution they can have a rolling upset bid. Every time the bid is there, they take it and readvertise it right then. Roanoke Rapids in this procedure did not do that. They waited until the 10 days and opened it up and came back to do a resolution proposing to accept that. It is more laborious. He did not think there was any question if someone is the last and highest bidder, they do not get the deposit back. They would find that through any kind of judicial kind of sales operation all the way around. This statute does not address that, but it is still part of the public sales. His point is when the Council is adopting terms, the terms make it a whole lot better. He consulted a close friend of his who is general counsel for the Centennial Authority in Raleigh who runs the PNC Arena. They went through the exact same process even though it was a multi-year/10 year lease. At the end of the day, it was the terms that made the deal. That is where you cannot separate the terms and the price; you got to have them all there.

Attorney Davis stated that was a lot of back and forth. There is some disagreement here. To reduce it down to what City Council's options are at this stage:

- 1) Stay the course and continue this process. City staff will properly notice the new upset bid period process.
- 2) City Council under this statute could reject all offers at this time and then draft a new resolution (*They would need time to draft it so they could not do that tonight.*) that includes the more favorable terms that Mr. White's clients have offered here to make those a term of the agreement. Part of that would be rejecting all offers and essentially starting the process over. It would still go through an upset bid period once it was accepted at the next meeting.

Mr. White stated he thinks they were here tonight to pass a resolution. They adopted Resolution 2023.05 which was the initial offer of \$1.75 million that the deposit wasn't made. He thinks they come in now with whatever the next resolution is and whatever terms they want to put on it.

Mayor Doughtie asked if it was possible to get any unbiased advice from the state like a mediation type thing. The City has gotten offers that he believes are more than everyone thought they would get for this property. He did not want to start all over and end up with two upset people that would take their dollars somewhere else. He wants Council to follow this thing through and get it done. He asked City Council

which way they wanted to go.

Mr. White said one of the things he wants City Council to consider is to not get fixated on what it costs the City per month. They need to be excited about and looking forward to what the full development out there is going to bring to this community. That is a time issue.

Attorney Davis said he, the City Manager and City Clerk need some clarity given this discussion. As he said earlier, he believes there are two options for City Council to consider: continue with the current procedure or end the process and draft a new resolution that incorporates specific terms at the next meeting.

Mayor Doughtie asked when the upset bid period ends or has it started. Attorney Davis stated it would start 10 days when the notice is in the newspaper. City Clerk Storey said she did notice it in the newspaper already.

City Manager Traynham added during this whole process, the City has been following guidance from the UNC School of Government, even templates for the advertisements. To the best of their knowledge, they have followed this process as close to the law as possible with that interpretation as well. When they get to the next step in the process, that is when they authorize contract negotiations after all upset bids have been completed. These offers really have shown up on the table at these meetings and these questions were coming up during a meeting. She would like to take some time tomorrow to look into this issue so she can be more prepared to provide a response and analysis on it about the timeline. She stated they have been advertising these upset bids in the newspaper in addition to posting them online. She feels they have made a very good faith effort using the guidance from other governments about this. The statutes can be very vague about it. This has been done under the upset bid process. The City did not advertise upfront sealed bids. If they had advertised upfront sealed bids like they did four times previously starting about a year ago, that is when they could have said upfront this is what their expectations are. She said 60 days was in the resolution from the get go in the acceptance of the initial offer with the amount for it. She wanted to add this for clarification because she did not believe they were going to get a satisfactory answer tonight to some of the questions. She asked for City Council to give staff a little time tomorrow to take a closer look at it and then provide them more information by the end of the week.

Attorney Davis said in his experience with the School of Government when asking a legal question, they kind of give an answer like they gave Councilman Smith. What they get is not exactly a clear, bright-lined, this is what it is answer; they seem hesitate to plant a flag in the sand.

Councilman Smith asked when would the 10-day upset be. Attorney Davis replied 10 days after it runs in the *Daily Herald*. Councilman Smith asked if it started the other day. Attorney Davis said he was not sure if it ran in Tuesday's edition, but it would somewhere relatively soon after that.

Mayor Doughtie confirmed with City Manager Traynham that she could get something back to City Council in a week. She replied she would like to have something back to them by the end of the day tomorrow. Mayor Doughtie asked if they could have a special meeting to get this process moving along quicker.

Councilman Smith asked if a resolution had been drawn up for the \$2 million offer. Attorney Davis replied no, because in his opinion City Council does not need one during the upset bid process. Even if they reject all offers and make a new resolution accepting this new offer then it is still going to restart an upset bid period process.

Councilman Smith asked when a new resolution would be drawn up. City Manager Traynham replied after no more upset bids are received. Then they would bring it before City Council and the resolution is intended to direct the City Manager and City Attorney into contract negotiations for the close of the real estate.

Councilman Smith stated it was his impression they were going to make a decision on a resolution tonight for this. Attorney Davis said no. City Manager Traynham added that tonight was just an update on the process.

Mayor Pro Tem Ferebee confirmed that City Council has a duty or right to accept the highest qualified bidder or reject all bids. He would like it to continue going the way it is. If they wanted to look at accepting what has been proposed, a part of the proposal is the terms that was given. The next bidder would do the same. At the end of the day, they have the right to say yes or no on any of those terms. The terms would be whatever they are, but they have the right to say yes or no. He did not want to see them start all over because he did not think that would benefit anybody.

City Manager Traynham said she believes they made it very clear during the acceptance period that the City was not accepting the actual terms written in the offer. She agrees with Mayor Pro Tem Ferebee and recommends this continue on. If they need to call a special meeting to change what they are doing right now, they can do so. She asked City Council for 24 hours to get back to them.

Mayor Doughtie asked to let City Council know when the upset period ends. City Manager Traynham stated July 12, 2023 was the date advertised. It is on the City's website for Wednesday, July 12, 2023 at 11 a.m. but now there have been questions

about published notice versus electronic notice. There is a question about the 10-day period from date of publication. If the 10-day date from publication in the newspaper is being challenged, then they may need to readvertise it. Right now, they are using July 12th at 11 a.m. as the current deadline.

Mayor Pro Tem Ferebee said he did not have a problem with the terms that are given to be a part of the upset bid process. Mr. White gave terms with his along with the upset dollar amount. That is good. The next guy that comes along with the highest bid can give a different term if he wants but at the end of the day City Council can accept or reject all. The City is trying to get the best dollar for the Theatre at this point.

Attorney Davis said fundamentally they were in the negotiation process. This is part of the process. The two parties on either side don't meet in the middle or agree to terms until that contract is signed. That only comes after they go through the upset bid process, it comes before City Council and they pass a resolution to accept the final highest bid. He believes City Council could put some terms in there. If that party on the other side says they do not like what they set here then they don't have an agreement. Then the City would be back to square one. He knows that is frustrating. They are doing the kind of negotiation process one would do in a private real estate transaction. This is playing out in a much slower fashion through this process. He wants to make sure that no one has the idea that the City has bound itself to some kind of contractual agreement at this point. They were still in the process where they have provisionally proposed to accept certain things. At the end of day, if the other party does not like what comes out of this then they don't have an agreement. Just as if the City doesn't like what comes out of this or is not satisfied with the terms in the final offer, then they reject them. He stated they were further back in the process than where it may look like at first.

Mr. White said terms are in their offer and no contract would need to be negotiated. The title is clear, everything is in working order, the inventory is there they would be starting with so they were going to close in 30 days. They could have proof of funds in 5 days of the request. There is no negotiation, there is no definitive agreement, this is the definitive agreement as soon as it is put in a resolution and adopted by City Council. It can't get any simpler than that. If they go by these terms, the offer is then sold at the increased price. That is the way the statute reads. He thinks they can adopt terms at any point. He did not think there was any reason to go forward. The best way to go forward is to take whatever action tonight so everyone knows what field they are playing on.

Mayor Doughtie stated it has not been 10 days so he did not believe City Council

could accept an offer. He did not think this was going to go on but so much with people raising the bid \$250,000 at the time.

City Manager Traynham stated the next resolution they would bring to City Council would be the highest bid and to direct the City Attorney and herself to proceed with the real estate transactions in the sale process.

Mayor Pro Tem Ferebee said he agreed with the terms in this offer and if there is no upset bid, then he wants to make sure they adhere to those terms. If a higher bid comes, then they will have to look at that. He restated he did not have an issue with these terms at all. The dollar value is the first criteria and they would go from there.

Councilwoman Bryant clarified they have started the process with the intention of getting the most money that could get. Now terms have been brought into the process. She asked if they get another bid higher than \$2 million but their terms were 60 days because they started with 60 days, the City will have to still take it right. Attorney Davis replied they did not have to take anything; they could reject them all. Councilwoman Bryant said in her opinion, if they started with 60 days and thinks it is great if this group wants to do it in 30 days, but thinks they need to follow the process.

Councilman Smith asked if City Council could get some clarification of when the upset bid date is. Attorney Davis replied as of right now they have noticed it to end on July 12, 2023, but based on some discussion today they will check on that; they may move that date back a little bit. Councilman Smith asked why would they have to move it. Attorney Davis said the notice may be defective because he did not believe it was published in the newspaper until Tuesday, July 4th. He and staff will be looking into that.

Councilman Smith made a motion to hold the upset bid date to July 12, 2023.

Attorney Davis stated he would discourage City Council from doing that. He did not want there to be any question about the notice being defective. Even if it postpones it for say seven days, he feels it was worthwhile for that to be correct rather than trying to rush it up.

Mr. White stated he agreed with Attorney Davis.

Mayor Doughtie asked City Manager Traynham to research the matter and let City Council know.

Councilman Smith withdrew his motion.

New Business

Consideration of Resolution Approving Surplus Items

Public Works Director Chalker presented the following resolution approving surplus items.

RESOLUTION NO. 2023.11 Resolution Approving Surplus Items In accordance with NCGS 160A-270(c) – Electronic Auction

WHEREAS, the Roanoke Rapids City Council desires to dispose of certain surplus property of the City; and

WHEREAS, the following items have been identified as being surplus to the needs of the City:

<u>FLEET #</u>	<u>DESCRIPTION</u>	<u>VIN #</u>
P-22	07 FORD CROWN VIC	2FAFP71W37X126064
P-26	07 FORD CROWN VIC	5FAFP71WX7X126062
P-27	07 FORD CROWN VIC	2FAFP71W67X126060
P-140	2011 FORD CROWN VIC	2FABP7BV3BX155562
P-142	2011 FORD CROWN VIC	2FABP78V7BX155564
P-144	2011 FORD CROWN VIC	2FABP7BV0BX155566
P-145	2011 FORD CROWN VIC	2FABP7BV2BX155567
P-147	2011 FORD CROWN VIC	2FABP7BV6BX155569
P-149	2011 FORD CROWN VIC	2FABP7BV4BX155571
206	98 TOYOTA COROLLA	2T1BR12EXWCO76613

WHEREAS, the Roanoke Rapids City Council, at a Regular Meeting on December 13, 2011, adopted Resolution No. 2011.25 authorizing the use of electronic auction services to dispose of surplus property; and

WHEREAS, the necessary agreements with GovDeals, Inc. are in place to utilize the company's electronic auction service to dispose of surplus items;

NOW, THEREFORE, BE IT RESOLVED that the Roanoke Rapids City Council hereby declares the foregoing list of property to be surplus to the needs of the City, and authorizes disposal of these items by electronic auction (specifically by website: www.govdeals.com) in accordance with NCGS 160A-270(c).

ADOPTED this 5th day of July, 2023.

Emery G. Doughtie, Mayor

ATTEST:

Traci V. Storey, City Clerk

Motion was made by Councilman Smith, seconded by Councilwoman Bryant and unanimously carried to adopt Resolution No. 2023.11 (enclosed in agenda packet) to officially declare the vehicles identified as surplus and authorize the sale by electronic auction.

Consideration of Budget Amendment (Federal Treasury Asset Forfeiture)

Finance Director Johnson reported the police department received a share of Asset ID 20-DEA-662532 on June 23, 2023 in the amount of \$205,850.19. These funds are kept in a separate fund (Fund 17). She presented the following ordinance for City Council's consideration and adoption:

ORDINANCE NO. 2023.06

**CITY OF ROANOKE RAPIDS
BUDGET AMENDMENT**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROANOKE RAPIDS:

SECTION 1. The following additional amounts are hereby appropriated for the operation of City Government and its activities for the fiscal year beginning July 1, 2022 and ending June 30, 2023, according to the following schedule:

SCHEDULE A – PROJECT FUND REVENUES

Fund Balance – Police – Federal Treasury Asset Forfeiture – June 23, 2023

Project Revenues – Federal Treasury Asset Forfeiture – Asset ID: 20-DEA-662532

	\$205,850.19
FUND PROJECT TOTAL	<hr/> \$205,850.19

SECTION 2. The following additional revenues and reductions in appropriations are available for the fiscal year beginning July 1, 2022 and ending June 30, 2023, in order to meet the foregoing appropriations, according to the following schedule:

SCHEDULE B – PROJECT FUND EXPENDITURES

Funding to General Fund – Police – Federal Treasury Asset Forfeiture – June 23, 2023

Project Expenditures - Federal Treasury Asset Forfeiture – Asset ID: 20-DEA-662532

	\$205,850.19
FUND PROJECT TOTAL	\$205,850.19

SECTION 3. This ordinance shall become effective upon adoption.

Emery G. Doughtie, Mayor

Motion was made by Councilwoman Bryant, seconded by Councilman Stainback and unanimously carried to adopt Ordinance No. 2023.06 in the amount of \$205,850.19 for the Police Department's share of a Federal Treasury Asset Forfeiture.

City Manager's Report

City Manager Traynham thanked Mayor Pro Tem Ferebee and Councilman Smith for their help this past Monday to ensure the splash pad would be open on July 4th. She stopped by the splash pad a few minutes after 12 p.m. and there was already a couple of families out there, but they had not pushed the button yet. When she got there and pushed the button, the cheers from the children were very special. That teamwork, effort and the leadership on their part along with the work from the Parks & Recreation Department to make it happen makes it all worthwhile. She announced the hours of the splash pad (set on timer) is 12 noon – 7 p.m. daily.

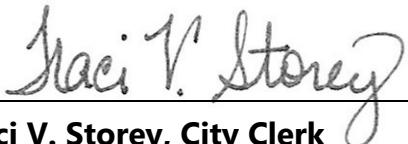
She announced starting this Friday morning at 9 a.m., the City will host a baseball tournament with several teams which means a lot of tourism throughout the city. Councilman Smith will throw the opening pitch.

City Manager Traynham said the August 1st City Council meeting will fall on National Night Out at Halifax Community College at The Centre from 6 – 8 p.m. This community event celebrates public safety throughout the nation so they may consider adjusting the time of the City Council meeting in order for everyone to be able to participate.

Mayor Pro Tem Ferebee reiterated what City Manager Traynham said concerning the splash pad. He thanked everyone who had anything to do with it including Councilman Smith, Councilwoman Bryant and himself to get the splash pad open for the kids on the date they said it would open which was important.

Adjournment

There being no further business, motion was made by Councilman Stainback, seconded by Mayor Pro Tem Ferebee, and unanimously carried to adjourn. The meeting was adjourned at 6:55 p.m.


Traci V. Storey, City Clerk

Approved by Council Action on: July 18, 2023